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USDOC FOR 532/OEA/M. NICKSON-DORSEY/JAY HATFIELD  
USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL  
USDOC FOR 4530/MAC/ANESA/OSA  
ICE HQ FOR STRATEGIC INVESTIGATIONS  
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [ETTC](#) [ETRD](#) [BEXP](#) [IN](#)

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: ELECTRICALS RESEARCH AND DEVELOPMENT ASSOCIATION, VADODARA, GUJARAT, LICENSE NO. D367587

REF: USDOC 07040

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

¶2. Acting Export Control Officer (ECO) David Nardella and BIS FSN Prem Narayan conducted a Pre-license Check (PLC) at the Electrical Research and Development Association (ERDA), Vadodara, Gujarat, on February 2, 2007.

¶3. BIS requested a PLC at ERDA, located at ERDA Road, G.I.D.C. Makarpura, Vadodara 390010, Gujarat, India, Tel: 91-265-3048010, Fax: 91-265-2638382, website: [www.berda.org](http://www.berda.org). ERDA was listed as the Ultimate Consignee and NEC San-EI Instruments Ltd (NSEI), Tokyo, Japan as the Foreign Purchaser for one Model TH7800 thermal imager with variable lens controlled under ECCN 6A003. The license applicant was Mikron Infrared, Inc. (Mikon), Oakland, NJ.

¶4. ECO along with FSN Narayan met with A.K. Singh (Singh), Director; N.J. Buch (Buch), Deputy Director - High Voltage Products; Dr. G.S. Grewal (Grewal), Senior Manager and Head Materials Technology Division; Dr. Vagish Shrinet (Shrinet), Senior Manager, Technology Development & Commercialization Centre; Dr. M.K. Sharma (Sharma), Manager (Material Technology Division); S.K. Nayak, Head, Energy Management Section; and Joseph Thomas (Thomas), Chief Purchase Officer, ERDA. Prashant Agrawal (Agrawal), Under Secretary (AMS), facilitated the meeting. Agrawal was also present at the meeting.

¶5. ERDA officials were not aware of the BIS regulations. This was the first USG or BIS official visit to ERDA. They were cooperative and forthcoming. Singh stated that Masibus Automation And Instrumentation (P) Ltd. (Masibus), an Indian firm, based in Gandhinagar, Gujarat, submitted quotation on behalf of NSEI for the thermal imager. Thomas provided a copy of ERDA corporate brochure, Masibus quotation, correspondence between Masibus and ERDA concerning purchase of the thermal imager, ERDA Purchase Order in favor of NSEI, certificate of local distributorship issued by NSEI stating that Masibus is their authorized Indian distributor, and ERDA letter issued to NSEI in support of end-use of the thermal imager.

¶6. Shrinet made a slide presentation on various activities that ERDA undertakes with regard to supporting Indian electrical industry including the end-use of the thermal imager. He confirmed the stated end-use of the thermal imager. He stated that the thermal imager would be used to conduct temperature measurement surveys for thermal power plants, chemical industries, transformer makers, etc. He stated that in the absence of the thermal imager, it is difficult to measure the temperature under live conditions by using conventional methods. The thermal imager will enable ERDA personnel

to measure/monitor temperature under live conditions by not touching anything and from a certain distance. He stated that the temperature of insulating material in any power plant could be as high as 1,000 degree Celsius. It is difficult to locate a bad conductor at the joint and blockages in the circulation.

¶ 17. Shrinet cited an example that an ERDA designed industrial transformer developed a fault in a moving train due to bad heated point. He stated that the thermal imaging camera they are attempting to purchase is a hand-held portable instrument. They could have saved that costlier transformer by detecting the fault on the moving train by using the portable thermal imager. To summarize the end-use of the thermal imager it will be used for thermography and to measure/monitor temperature of electrical devices for ERDA various customers. Singh explaining that India has an "energy security" problem - a lot of electrical power is wasted due to inefficiency in the processes of making and using electrical power. The thermal imaging camera will greatly assist in early and precise identification of power being wasted in those processes. The analogy Singh used was the early diagnosis of a disease; being able to diagnose wasted energy in an electrical system early will result in reduced effort in fixing or curing that energy waste. Singh stated that Materials Technology Division Head would be custodian of the thermal imager. It will be kept in a lockable safe and a disposition log will be maintained when it will be taken out for use.

¶ 18. He further stated that ERDA personnel would strictly operate it. It will not be given to any industry/individual for use on rental basis. ERDA officials were asked by ECO if the products were going to be used in any Nuclear Weapon, CBW, or Missile Applications. ECO was advised no, and told them that such a use would be prohibited. ECO and FSN Narayan informed ERDA officials that if the license is approved and ERDA is able to import the equipment, they would be provided with certain export license conditions. If ERDA is not

provided the license conditions, they should ask the U.S. supplier to provide those. Singh spoke firmly to all ERDA officials present there, and said, "Any Conditions which may be applied (by the USG), relating to this transaction, are to be followed in a sacrosanct manner". ECO asked Singh if ERDA intended to utilize the thermal imaging camera to perform work for any other countries, and if so, which countries would have access to the camera or benefit from its capabilities. Singh answered that question by directly stating the thermal imaging camera would be used only in India and to benefit Indian companies. The ERDA building is guarded 24 hours a day.

¶ 19. Established in 1974, ERDA is an autonomous research and development organization. It is accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL), Department of Science and Technology, GOI. It was created by the Indian electrical industry and utilities with the support of Governments of India and Gujarat. ERDA's core activities include product certification, type, developmental and special testing and evaluation as per national, international and institutional standards and specifications, sponsored research, technical services such as inspection, consultancy, condition monitoring, life assessment, failure investigation, knowledge updating and market surveys in the areas of electrical materials, products and systems. Through research and development, it provides scientific knowledge and technology needed to solve the problems. It also conducts on line short circuit testing and high voltage impulse testing. ERDA membership consists of 140 electrical instrument manufacturers. It employs 220 personnel.

¶ 110. Recommendation: Post recommends the Electrical Research and Development Association as a reliable recipient of the controlled U.S. origin commodity. All indications are that the listed commodity will be used in accordance with U.S. Export Administration Regulations (DNARDELLA/PNARAYAN) Mulford